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Chair

Mr. Pat Martin

Standing Committee on Government Operations and Estimates

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• (1530)

[English]

The Chair (Mr. Pat Martin (Winnipeg Centre, NDP)): Good afternoon, ladies and gentlemen. We'll convene the 41st meeting of the Standing Committee on Government Operations and Estimates. Today we're dealing with just that: estimates.

We've invited the Privy Council Office to present their estimates for this year. To do so, we would like to welcome Michelle Doucet, the assistant deputy minister of corporate services.

Madame Doucet, welcome. With you, I understand, is Mr. Bill Pentney, deputy secretary to the cabinet, plans and consultations—welcome, sir—and Marc Bélisle, executive director, finance and corporate planning division.

Welcome again, Marc. It's nice to see you here.

Madame Doucet, you know the routine. There are 10 to 15 minutes for opening remarks, if you like, and then a round of questioning from the committee members. You have the floor, Madame.

[Translation]

Ms. Michelle Doucet (Assistant Deputy Minister, Corporate Services, Privy Council Office): Thank you very much, Mr. Chair.

Good afternoon. I am pleased to meet with the members of the Standing Committee on Government Operations and Estimates.

[English]

As you explained, I'm accompanied today by Mr. Bill Pentney and Monsieur Marc Bélisle. Without further ado, I will begin to explain PCO's 2012-13 main estimates.

The overall decrease of \$13.9 million to PCO's financial requirements from \$140.7 million, as reported in the 2011-12 main estimates, to \$126.8 million in the 2012-13 main estimates, is mainly related to the following.

There is a reduction of \$7.4 million since PCO transferred, on an ongoing basis, all of its information technology budget for the delivery of e-mail, as well as its data centres and network services, to Shared Services Canada.

There is a reduction of \$3.9 million for the sunsetting in March 2012 of the Afghanistan Task Force. Since April 1, 2012, PCO has had a small team in place that will be providing a coordination role with respect to Canada's presence in Afghanistan

There is a reduction of \$2.2 million for strategic review in order to reflect the savings to be achieved in the second year of implementation for strategic review. By 2013-14, PCO's ongoing budget reduction will total \$5.7 million. The \$2.2 million is the total cumulative amount of savings for the second year, given that \$1.1 million has already been achieved in the first year, 2011-12.

There is a reduction of \$1.1 million for security-related initiatives. In 2010-11, PCO sought ongoing funding to enhance the department's security in order to focus exclusively on the highest priority elements. PCO received \$3.1 million for the first two fiscal years. Starting in 2012-13 and for ongoing years, PCO will receive \$2 million per fiscal year. During the first two years of this initiative, PCO had to incur one-time fit-up and start-up costs for some initiatives, which explains the reduction of \$1.1 million for 2012-13.

Finally, there is a reduction of \$0.5 million for adjustments to employee benefit plans, which is a statutory item.

These reductions are partially offset by the following.

[Translation]

First, there is an increase of \$1 million for the operation of the Office of the Special Advisor on Human Smuggling and Illegal Migration. The Special Advisor is responsible for coordinating the government's overall strategy and response to migrant smuggling, including through engagement with key domestic and international partners to promote cooperation.

• (1535)

[English]

As well, there's an increase of \$0.5 million for the operation of the Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River, known as the Cohen commission. The original terms of reference for the Cohen commission directed the commissioner to submit his final report by May 1, 2011. However, it became clear that more time would be needed. Therefore, a first extension was requested by the commissioner to submit his final report by June 30, 2012. An amount of \$1.3 million is included in PCO's 2012-13 main estimates in order for the commissioner to submit his final report by that time. The increase of \$0.5 million mentioned above represents the difference in funding for the Cohen commission between PCO's 2012-13 main estimates and those of last year, 2011-12.

By way of update, when we were before you on March 5 of this year, we informed you that the commissioner had made another request for an extension to the Prime Minister to submit his final report by September 30, 2012. This is due to the breadth of the mandate, the scope of document production, and the complexity of issues under investigation. That request was granted, but does not change the commission's global budget of \$26.4 million over four fiscal years.

PCO's 2012-13 main estimates in the amount of \$126.8 million do not reflect the decisions as announced in Budget 2012. The mechanism to decrease PCO's authorities in accordance with the Budget 2012 decisions will be the supplementary estimates process. By way of reporting to Parliament on these budget decisions over time, PCO will be using the quarterly financial reports to provide Parliament with regular and timely reporting on the implementation of these measures. This approach is in line with past calls by the Parliamentary Budget Officer to use these quarterly updates as a key vehicle for keeping Parliament informed of such spending changes.

Budget 2012 has made public the high-level results of the government's effort to reduce the deficit. PCO's portfolio total savings for this exercise are \$12.2 million. This amount includes a \$1.1 million reduction for the elimination of the Public Appointments Commission Secretariat, and a \$2 million reduction for two other agencies under the portfolio. PCO's departmental contribution to this exercise totals \$9.2 million in savings by 2014-15 to support the government's return to a balanced budget. As we modernize and transform the way we do business, we are cognizant of the need to preserve the right level of service to the , cabinet, and portfolio ministers, as w Prime Ministerell as maintain our core and unique capabilities to support the government.

To achieve the ongoing savings, however, we will have to change the way we work in some significant ways. For example, the Intergovernmental Affairs function, IGA, will be further integrated within PCO in order to eliminate duplication between elements of IGA and other PCO secretariats. This will provide more integrated advice to the Prime Minister and the Minister of Intergovernmental Affairs.

[Translation]

The cabinet system will be streamlined, which will result in reduced administrative burden and produce savings over time.

The government communications function will be modernized and streamlined, including a new approach to media monitoring and analysis.

The Corporate Services Branch will review its business processes and adjust service levels.

All other branches will find ways to modernize their business processes and to achieve administrative efficiencies to meet savings targets.

[English]

In closing, I would like to thank you for giving my colleagues and I this time to inform you of the ongoing initiatives in the 2012-13 main estimates.

We would be pleased to respond to your questions.

The Chair: Thank you very much, Madame Doucet, for those remarks.

We're going to try to get through one complete round of questioning. We would like to stop sometime before the one hour we have allocated for this, at 4:30, so we can do the votes on the estimates for those particular programs that are referred to our committee. So if we could save 10 minutes at the end, we could accomplish that as well.

For the NDP, the first questioner is Linda Duncan for five minutes.

• (1540)

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Thank you, Mr. Chair.

Thank you very much for coming before us.

The first question I would like to raise...and of course this is the ongoing dilemma that we're reviewing in this committee, the timing of the mains and the budget and this process that we go through.

In the meantime, it has been revealed to us since the mains that the office of appointments is going to be ended. The obvious question, I guess, is that for all of these years we've continued to budget about \$1.5 million to support a commission that doesn't exist.

Can we anticipate that in fact this \$1.3 million, or whatever it is, will be removed from the PCO?

Ms. Michelle Doucet: Thank you for your question.

The government is eliminating the Public Appointments Commission Secretariat, as it has significantly strengthened the rigour and accessibility of the public appointments system over the past five years. Improvements put in place to strengthen the public appointments system include advertising public appointment opportunities on a dedicated website and conducting open selection processes for leadership and full-time positions.

As I indicated in my opening remarks, the subsequent estimates documents will be used to amend PCO's reference levels for the decisions that were made in the budget, including the government's decision to eliminate the secretariat.

Ms. Linda Duncan: Thank you.

I will move on to the Chief Electoral Officer, and I wonder if you could explain something to me. As has been pointed out by my very brilliant colleague here, likely the budget for the Chief Electoral Officer goes up and down leading into an election, and potentially leading away from an election and during an election. We're kind of in a down period, but matters have come to Parliament's attention since the mains again, and that involves the investigations into the "robocalls" issue.

I'm just wondering if you could speak to, in the mains, whether the budget might go up, or if you think the current budget will handle the potential costs of additional calls for investigation by Elections Canada. I'm presuming that would be in the ambit of this budget.

Ms. Michelle Doucet: Thank you for the question.

The Chief Electoral Officer, while part of the PCO portfolio, has their own chief financial officer, and that is not me, so I'm not able to respond to your question. The chief financial officer for the elections agency would be able to do so.

Ms. Linda Duncan: Is it possible, Mr. Chair, then, that we could have them come in, since this is under the ambit, as I understand it, of the PCO? I'm putting that request in for discussion later.

The Chair: We will make note of that, Linda. Thank you.

Ms. Linda Duncan: Thank you.

I'll move on to the Canadian Transportation Accident Investigation and Safety Board. I'm very aware of its incarnations because of being impacted by the massive spill in Lake Wabamun in Alberta a number of years ago, and I value their work greatly.

It's occurred to me, in looking in that budget.... First of all, I have to say I find it very odd that it's in the PCO. Maybe you could explain that to me. Secondly, I note that the budgets for one mechanism of transportation are going up and others are going down. I'm just wondering how within PCO...or how that board estimates. I would presume it's like a contingency fund.

I worked in the field of environmental enforcement, and I was in fact the first chief of enforcement for Environment Canada. It was one of our struggles to try to get the government to set aside a specific contingency fund, because of course you don't know there's an accident until there is an accident.

I'm just wondering if you could elaborate a bit more on how the budget under the PCO for this is established. Is it established in the way of a contingency fund?

Ms. Michelle Doucet: I must tell you that my answer to your question is the same as my answer to the last question. The transportation safety board has its own chief financial officer, who I'm sure would be delighted to respond to your questions. I can't do that.

Ms. Linda Duncan: Mr. Chair, I'm growing concerned.

The Chair: I am too. We might not have all the people we need here.

Well, if these are items that fall under the main estimates of the PCO, then questions dealing with the main estimates of the PCO are entirely in order and relevant. We do expect officials here to be able to answer those questions.

I guess we'll just have to make a note of that and revisit this issue at a later date.

• (1545)

Ms. Linda Duncan: I'm simply going on the basis of the main estimates provided to us. I just presumed that someone would be here to speak to those. I would like to have elaboration on that, because I think it's an important aspect of the PCO mandate.

The Chair: I think it's a fair point.

The clock has stopped.

Did you have something you wanted to say on this, Mike?

Mr. Mike Wallace (Burlington, CPC): Yes, Mr. Chair.

I think it's our responsibility, as members of Parliament.... I'll give you my example from the industry committee, when I was there.

The industry committee has a whole litany of organizations that report underneath the industry minister. But when we were dealing with estimates, if you wanted to talk to one of the agencies, you had to invite them. The actual deputy minister and the chief financial officer for the ministry couldn't speak for them.

I think it's a message that we need to make sure MPs know, that even though it might come under the umbrella of whatever organization, if you have an organization within there that you'd like to speak to directly, you need to put them on the invitation list to come here.

I fully understand Ms. Duncan's frustration. I was frustrated with it at first because I didn't realize it, but after that we got to it.

It's a point that I think, under our study on the estimates process, we can make.

The Chair: It's not something I want to spend a lot of time on at this juncture, but I do understand. In fact, this is one reason why the minister is usually the one who is invited to defend their main estimates. Obviously PCO is an exception. I don't think anything should be off limits. I suppose we could serve notice of the types of questions we're going to be asking, but when you invite one mega portfolio, be it Heritage, Industry, or whatever for the main estimates, you shouldn't have to know the secret handshake in order to get in and ask those questions.

You have a few seconds left, Linda.

Ms. Linda Duncan: If I could just follow up on this matter, Mr. Chair, I'm not raising anything that isn't actually.... These are the designated matters under the main estimates. I am logically asking about the items that PCO has chosen to bring forward to the main estimates. I'm not trying to be difficult. I guess my question would be, are we expected to vote on these?

The Chair: Yes, you are.

Ms. Linda Duncan: Well, I do not feel prepared to vote unless I can ask my questions. That's my job.

The Chair: Actually, your job is finished for now, unfortunately. We're out of time.

But thank you. I think those are very relevant questions. I think they illustrate some of the shortcomings in the way we deal with estimates. And Mike is right. It's a subject that can and should come up in the context of the report we intend to write.

Next, for the Conservatives, is Jacques Gourde for five minutes.

[Translation]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Thank you, Mr. Chairman.

I thank the witnesses for being with us today. It is always a pleasure to see you again.

Ms. Doucet, in your opening statement you mentioned that PCO had transferred all of its information technology budget for the delivery of email, as well as its data centres and network services, to Shared Services Canada.

I would like to know how things will work in the future, without those budgets.

[English]

Ms. Michelle Doucet: Thank you for your question.

As I indicated in my opening remarks, 100% of the IT operating and salary budgets for PCO's e-mail, data centres, and networks used in the processing and storage of up to secret level information—not including top secret, but up to secret level information—has been transferred to Shared Services Canada. PCO will continue to manage e-mail data centres and networks used in the processing and storage of information above the secret level.

In addition, PCO will continue to deliver application and database maintenance and development services as well as to distribute computing services. You might ask what this means. That would include things like the help desk, desktop support, and peripheral support. Peripheral supports are the little bits that go with your computers—the mouse, keyboard, printers, external USB hard drives, scanners, digital cameras, and things like that.

In terms of managing our applications, PCO right now has a portfolio of 160 applications, which contains a mixture of commercial off-the-shelf software that many of us are familiar with as well as in-house-developed applications and systems. An example of an application that is managed by PCO is the cabinet papers information system, which is required to facilitate the control, preparation, distribution, and return of cabinet documents.

Clearly PCO will be working very closely with Shared Services Canada to coordinate the delivery of services now in the Shared Services Canada portfolio through a business arrangement to ensure that accountabilities related to the ongoing delivery of the affected e-mail network and data centre services are clear and that expectations and commitments on the part of both Shared Services Canada and PCO are well understood and documented.

This arrangement will foster close collaboration between the two entities and ensure that the Prime Minister's Office, our portfolio ministers, and PCO itself will receive sustainable, timely, and cost-effective e-mail, data centre, and network services in support of existing and new IT-enabled business processes.

• (1550)

[Translation]

Mr. Jacques Gourde: Ms. Doucet, the last time you appeared before this committee, you mentioned the number of employees at the Privy Council Office and you outlined how that number had changed over time.

I know that your last appearance here was not that long ago, but I was wondering if there had been other important changes at the Privy Council Office, and if that is the case, which ones. I would also

like to know whether we are talking about attrition, reassignments, or cuts.

[English]

Ms. Michelle Doucet: Thank you for the question.

My answer would have two parts. One is a shorter part and one is a longer part.

I'm just conscious, Mr. Chair, of the time.

When I was last here on March 5, I talked about the population of PCO as of March 1. I talked about our workforce in terms of two pieces: one, the core folks who work at PCO, and then the folks who come and go who are what we call determinate employees or folks who are on assignment for other departments. At that time I explained that we had 855 employees in terms of our core workforce. The remainder were 72 folks who were determinate or on assignment for other agencies.

A month later that has gone down, and I can tell you that as of April 1, which are the numbers I have, our core population was more or less the same. It was down one to 854, but that temporary population has gone down to 56, for a total of 987, combining the two. The total at March 1 that I gave you had been 1,017.

That is the first part of my answer to your question.

I believe you asked in your question as to whether there had been other initiatives affecting our workforce at PCO, and there have been, as a result of the announcements in the budget. I am happy to speak to those now or later on.

The Chair: That's concluded. Thank you very much.

Next we have Denis Blanchette for the NDP.

You have five minutes, Denis.

[Translation]

Mr. Denis Blanchette (Louis-Hébert, NDP): Thank you, Mr. Chair.

Ms. Doucet, Mr. Pentney, Mr. Bélisle, welcome.

I am going to continue in the same vein as my colleague. I would like to finally obtain the long version of the answer to all of this. Perhaps you cannot give us this right now, but I would like you to provide the committee with a comprehensive table of cuts related to strategic reviews, the budget, as well as a breakdown of savings achieved through job cuts, on the one hand, and through other means, on the other.

[English]

Ms. Michelle Doucet: Thank you for the question.

I think we can actually give you some of that information today.

Mr. Pentney, did you want to open?

[Translation]

Mr. Bill Pentney (Deputy Secretary to the Cabinet, Plans and Consultations, Privy Council Office): Thank you.

First I want to specify that at PCO, there are practically no other expenses aside from salaries. We do not administer programs. So it will not be complicated to give you a global overview. We are talking, rather, about staff cuts. We are not responsible for employment insurance programs and other programs offered directly to Canadians.

However, we do not administer two separate programs. We manage the budget, the staff, the program and responsibilities of PCO in a global way. This year, as indicated in the budget, there are reductions related to strategic reviews. In addition, the budget stated that there would be reductions linked to the deficit reduction plan for this year.

• (1555)

Mr. Denis Blanchette: You have a lot of say, but I have not really found anything out.

Mr. Bill Pentney: Yes.

Mr. Denis Blanchette: I would very much appreciate your answering me in writing, since our time is limited.

Since the Public Appointments Commission is going to be abolished, I would like to know how you are going to take charge of the work that was done by that organization. How are you going to ensure that the work is well done? I am thinking in particular of some appointments that were much discussed in the media, the big concern being how they had come about. I am thinking among others of the appointment of the Auditor General and of judges to the Supreme Court.

How are you going to ensure that there are no further appointments that make the front pages because they do not respect criteria?

Mr. Bill Pentney: Thank you for your questions.

From its inception, the Secretariat of the Public Appointments Commission has made recommendations to improve the appointment system. The government implemented a few changes, as Ms. Doucet said in her previous answer. There is a group that is responsible for supporting the government in this process. The government created a website and provided details on the required skills and

[English]

the statement of merit criteria,

[Translation]

and the government adopted a more rigorous selection process. So, the process has been unfolding normally and we have benefited from the studies and recommendations of the secretariat during that period.

Mr. Denis Blanchette: I have a brief question on Shared Services Canada and the breakdown of budget cuts.

In a previous reply, you said that certain types of emails, among other things, were going to be transferred to Shared Services Canada, and that others would not. I understand that there are security levels to be considered; everyone understands that. That said, does this not represent duplication for your office, and consequently, an increase in the total cost of the service?

[English]

Ms. Michelle Doucet: Thank you, Mr. Chairman.

I'm not sure I understand the question: won't there be an increase for the total cost of the service?

[Translation]

Mr. Denis Blanchette: May I ask my question again, if the people on the other side will allow?

Voices: Fine.

Mr. Denis Blanchette: In a reply to my colleague across the way, you stated that Shared Services Canada was going to be responsible for certain types of emails with a security rating of secret or less, and that you would keep control of those with a higher security rating than the secret rating.

In light of how this process will be managed, will there not be a duplication of technical procedures, and finally, an increase in costs rather than a reduction in the administrative costs of the service, which was the hoped-for outcome?

Ms. Michelle Doucet: Thank you very much. Now I understand the question.

[English]

As I said in my remarks before, PCO will continue looking after the e-mails in the secret and top secret category.

We had some work done some time ago to see if we were delivering our IT services in a cost-efficient manner, and I can tell you we deliver those services in a very cost-efficient way at PCO. So while I don't have the exact information as to whether it will cost more, I can assure you that we have a pretty lean set of business processes around our delivery of secret and top secret e-mail at PCO.

• (1600)

The Chair: Thank you, Madame Doucet.

Next, for the Conservatives, we have Mike Wallace.

Mr. Mike Wallace: Thank you, Mr. Chair.

I thank you for coming and joining us this afternoon and answering a few questions about the main estimates.

I'm going to ask you a few questions about last year's plans and priorities document that had numbers in it.

I have one question to start with to get my head around things. Last year, in 2011-12, it was \$140 million—I'm going to round, if you don't mind. Then in the plans and priority document of last year you had \$134 million. In the main estimates this year we have \$127 million. I'm assuming part of that was the Shared Services transfer.

When did the Shared Services piece come together? Was that included in this reduction that we see of the \$6 million that was in the plans and priorities? Did you know that was coming at that time, or is that new since then?

Mr. Marc Bélisle (Executive Director, Finance and Corporate Planning Division, Privy Council Office): During the summer we found out that this transfer was going to occur. However, with all the calculations, it claimed more into the fall, so we were able to include the reduction in our main estimates for 2012-13. However, when we did our main estimates last year, we wouldn't have known.

Mr. Mike Wallace: So what's making up this reduction? You set out a three-year concept, in terms of how much you're going to spend. You have a reduction in your plans and priorities. If that wasn't there, can you remember what made up the reduction to begin with in your plans and priorities from last year?

Mr. Marc Bélisle: Which year are you comparing with which?

Mr. Mike Wallace: In your RPP from last year, 2011-12, you have \$140 million, and it goes to \$134 million, so you're planning a \$6 million reduction. The reduction is even greater when you look at the main estimates now. It's down to \$126 million. I want to know what you thought the reduction this year was going to be. Was there something coming that you knew about? I want to know what that was. Can you tell me?

Mr. Marc Bélisle: Off the top of my head, it's from our RPP.

Mr. Mike Wallace: Right.

Mr. Marc Bélisle: You're talking about the same year, 2011-12?

Mr. Mike Wallace: I'm talking about 2012-13.

If I'm a member of Parliament and I look at your document from last year and I say, okay, they're planning to reduce by \$6 million to \$134 million, and then I go to the book, when you send it out, and it's down to \$126 million, I want to know, on the list of things you deducted, what you knew about in advance in last year's plans and what's new in this year's plans.

If you cannot tell me that, that's fine. It's just that I need to know.

Mr. Marc Bélisle: I can tell you that we did not know about SCC, Shared Services Canada, the transfer.

We did know about the Afghanistan task force, that that was going to sunset.

For the strategic review, we put in our amounts last year, so we knew those amounts.

For security-related initiatives, yes, we knew at that time that our reference levels would be reduced.

The adjustment for EBP, we do not know. That's an adjustment we do yearly, because the rate changes and we adjust accordingly.

The office of the special advisor on human smuggling would have not been known about at that point. This is something that came after we had done our documentation.

For the Cohen commission, that was the information we had available at that time.

• (1605)

Mr. Mike Wallace: Okay.

Does the secretariat that looks after interprovincial conferences have its own administration on that also, or is that under you guys?

Mr. Marc Bélisle: No, it has its own administration.

Mr. Mike Wallace: So this agency that spends \$6 million on conferences has its own administration?

Mr. Marc Bélisle: Yes, it does.

Mr. Mike Wallace: Can we not amalgamate that somehow into somebody else's job? That's just a point I want to make.

I like the wording, "Multilateral meetings, first ministers, ministers, deputy ministers planned and conducted flawlessly...". Wow. That's pretty good, eh?

Anyway, I'm looking at the plans and priorities, which I know will be coming out in a little while. How does PCO evaluate itself? Your job is to give advice to the Prime Minister and cabinet. How do you evaluate whether or not you're doing a good job?

Ms. Michelle Doucet: I'm going to start off with that, and then I'll ask Mr. Bélisle and Mr. Pentney if they want to add anything.

We have a framework of mechanisms to give us continual feedback on how we're doing. That includes reporting to Parliament through the DPR and the mechanisms that are provided in there. Like all departments in town, we also have an external audit committee, an audit committee on which we have external members. There are three members external to the government who sit on PCO's audit committee. In fact, I'll be spending the day with them tomorrow as they go over how we're doing. Those conversations, I can assure you, are candid and direct. Obviously, we work with the Auditor General on any questions that he might have or any studies he is doing.

I'll just ask Bill and Marc if they want to add anything to that.

Mr. Bill Pentney: I'll just add that we have opportunities for relatively direct feedback from our main customers and clients on a weekly basis.

More seriously, there's a set of objectives that are agreed on as we go forward, in terms of our advice. We're not in the business of programming. We don't measure our service to Canadians, and in that way it is a service that is internal to the government and the Prime Minister.

But in terms of supporting the Prime Minister in his role, and in terms of supporting the clerk in his role, as head of the public service, as Michelle said, we measure, to the extent we can, and we seek feedback on a regular basis. We're pretty hard on ourselves as well, in terms of assessing.

Having said that, the last couple of years have provided other opportunities to look very hard at what we do. With the nature of the budget changes that we've been living through, that are being reported, and that we're speaking about here, we have had to step back and ask some hard questions about what we do and why we do it.

So we are different from other departments in our ability to conduct evaluations of the normal course of a program or things like that, but I can assure you we have opportunity to get feedback and to assess how well we are doing in playing that role.

Ms. Michelle Doucet: The other thing I would add is that, of course, like all departments we are subject to the management accountability framework, or MAF, process the Treasury Board conducts on an annual basis, the results of which for the last year have just been delivered.

Mr. Mike Wallace: Thank you.

The Chair: Thank you, Mike.

To the Liberals, John McCallum.

Hon. John McCallum (Markham—Unionville, Lib.): Thank you.

I'd like to ask you a question about your policy on travel expenditures. There was a case, I think it was in October of last year, when Minister Penashue and his chief of staff received passports, for which I think the government paid \$315 each. I think at that price it means they had one-day service, because that price is high.

My first question is whether it's acceptable, under PCO rules, to pay these high prices for passports.

Ms. Michelle Doucet: The Privy Council Office is governed by Treasury Board directives on travel, as are all departments. Ministers' offices are governed by the Treasury Board document for spending in ministers' offices.

I have no knowledge of the particular case you are speaking of. I will be happy to see what I can find and do any specific follow-up.

One of the particular features of the Privy Council Office is that we support a portfolio of ministers. They have pretty rigorous schedules and are often called upon to do things at the last minute. We work within the rules to support them, so that they can do their jobs.

• (1610)

Hon. John McCallum: I understand that if the minister and his chief of staff had to travel overseas the next day that might be reasonable, but the records show they had no international travel in the time elapsing after this money was paid. So it seems to me it's a total waste of taxpayers' money to pay the sky-high price for a 24-hour service when you're not going anywhere internationally.

My question is, would that be allowed under the rules? It seems a flagrant waste of money. Can you get back to us if you don't have the answer today?

Ms. Michelle Doucet: I'd be happy to see what further information I can get for the member on this case.

Hon. John McCallum: Thank you.

Do I understand that the PCO is retaining control over e-mails or communications that are secret and top secret? I think I heard you say that. Is that correct?

Mr. Bill Pentney: There's a separate system within government for the limited group of departments and agencies that are in regular... Because the national security adviser to the Prime Minister and foreign and defence policy are housed within the Privy Council Office, they participate in a subset of government departments that deal with e-mails, and there will be a continuation of that system. That system within government departments and with some partner

countries has not been transferred to Shared Services Canada at this time.

Hon. John McCallum: When you say you'll get back to us, can I ask when? In how many days? I'm going to be suggesting later that there are reasons not to vote on the estimates today. There is still time.

How long will it take for you to get this information back to us that you don't have today?

Mr. Bill Pentney: We will endeavour to provide the information without delay. I can't be more specific than that.

Hon. John McCallum: What does "without delay" mean? Within a week, within three days, within ten days?

Mr. Bill Pentney: We'll look at the information and get back to you as quickly as we can. I'm sorry, I can't provide a more specific time.

Hon. John McCallum: Okay.

I also have a question about Elections Canada. Most of the cuts were phased in gradually. Elections Canada was virtually alone, I think, in having all of its \$7 million cut, front-end loaded, in year one. This seems a pretty austere situation. Are you able to provide any information on why those cuts were front-end loaded in that way?

Mr. Bill Pentney: Perhaps returning to the earlier question of Member Duncan as well, as you know, in our government system there are a number of independent agencies that are related to the executive and funded by the executive, but they fundamentally operate without the kind of political direction and control that's normal in a ministerial line accountability. Then there are officers of Parliament, like the Chief Electoral Officer and others, who are even more independent, in a sense, and have to report to Parliament through a minister. That's the system that was established and abided by.

It would be neither appropriate nor suitable for us to be here to speak to the budgeting process of the Chief Electoral Officer or those other independents. I regret that if there were questions that representatives of those departments and agencies... I'll speak for them and say I'm sure they would be happy to appear before you and answer the questions you have. This would be true for other departments and agencies, as was noted, in our system of governance.

I know the committee is looking at the estimates process. You can decide if, through that process, you would like to make some changes. But in our system those independent officers submit budgets through ministers. That's effectively how our system works. We cannot speak to the decisions and choices that were made by the Chief Electoral Officer.

Hon. John McCallum: Thanks.

The Chair: That is your time as well, John. Thank you very much.

Finally, for the Conservatives, we have Scott Armstrong.

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): Thank you, Chair.

Thank you for your presentation.

Looking back over time, and compared to what your estimates are projecting for this year, I have a couple of questions. I want to first make sure I'm comparing apples to apples here.

In 2005-06, it appears that PCO had financial resources of about \$149 million. Looking forward in the estimates this year, it's about \$127 million. When you factor in inflation, I believe that would be a significant reduction in what you're spending.

Am I accurate in comparing those two numbers?

• (1615)

Mr. Marc Bélisle: The budget of the Privy Council Office fluctuates on a yearly basis because lots of temporary initiatives are housed within the Privy Council Office. One example is the Afghanistan task force, which was there for a specific period. The commissions of inquiry also fluctuate a lot in our budget. Some years we can go up to almost \$20 million in commissions of inquiry and in other years there is hardly anything. So those amounts fluctuate a lot.

On the two amounts you were referring to, most of them are due to some of the programs that are sunseting. We had the G-8, the Afghanistan task force, the economic action plan—all of these were for set periods of time, and now you are starting to see the end of them.

Mr. Scott Armstrong: I realize there are some year-to-year fluctuations and variations, but when looking at most government departments, the expense of running government actually goes up. PCO was one where we've seen it stay equal or actually go down. When you factor in inflation, it seems to be a more impressive record. Just looking at numbers, that shines through.

The second part is—and usually government departments.... Bill, you mentioned that it's mostly in salaries, particularly at PCO. When you look at the full-time equivalents, in 2005-06 there were about 1,117 full-time equivalents. Looking at the projections for this year, I think you said you're looking at 987. Again, it's not a massive reduction. The department is smaller now than it was seven years ago and is still providing the same high-level service, when we're talking about your ongoing, continuous cycle of evaluation you are putting forward.

It seems to me that in the budgeting process the PCO has done a very good job of meeting the demands that are placed upon it on a year-to-year basis. But overall, if you look at the actual growth of the department, you have remained pretty stable for at least over half a decade.

Am I accurate in comparing those numbers now?

Mr. Marc Bélisle: Yes. We also had several government-wide initiatives that reduced our budget. We're seeing those reflected. For the strategic review we are now in year two. We also have to think about cost containment. Employees are receiving salary increases; however, the departments are not compensated any more. That's also how our reductions sometimes in FTEs...because we will not be filling some of our vacant positions...to be able to find the money to continue to operate.

Mr. Scott Armstrong: That's good, because now you are entering my next question.

We're hearing a lot of reports in the media about cuts and layoffs. Can you tell me the workforce adjustment situation currently in PCO?

Ms. Michelle Doucet: As Marc has just elaborated, and Bill has spoken about it as well, we've taken several budget reduction-related activities in recent years. As a result, we are now faced with a concrete reduction to our work force, and I'll tell you about how we're going to do that.

In order to proceed according to the agreements we've negotiated with the unions, and pursuant to Treasury Board guidance, on April 2 we advised Treasury Board Secretariat that we would be invoking workforce adjustment at PCO. Two days later we met with the unions to provide them with the details, pursuant to the agreements we have with them.

One week later, on April 11, we began the process of notifying employees that they were affected. No one was declared surplus immediately. Being declared "affected" means there's a possibility that one's job will be declared surplus to requirements. An affected employee is therefore told that their services may no longer be required.

In some circumstances, where more than one employee is performing the same type of work, we conduct merit-based assessment for retention processes in order to fairly and transparently make the decision on which positions will be eliminated and which employees will be declared surplus.

Once it has been confirmed that the services of an employee are no longer required, the employee is informed in writing that their job will be declared surplus. At that point, the next step is to see whether they're being given a guaranteed reasonable job offer or not. If not, then they become something called "an opting employee", and they have four months to choose between three options, each of which at the end of it will terminate their employment with the public service, unless they find another job during that time.

In terms of what that means for the Privy Council Office, right now we have—and I'm going to put caveats around numbers because they shift with people coming and going and retiring—approximately 139 affected employees at the Privy Council Office. As I said, the coming and going, folks who say they'd like to retire now, combined with the fact that we don't have programs that we cut—we have financial targets that we are working toward—will play a role in determining the final number of employees that will be declared surplus.

With that important caveat in mind, we currently estimate we will be declaring surplus between 90 to 100 employees at the Privy Council Office sometime between June and the end of November of this year.

• (1620)

Mr. Scott Armstrong: Good. Thank you very much.

The Chair: Thank you, Scott.

We're getting close to the end. Are there any further questions?

Ms. Linda Duncan: I have one short one.

An hon. member: I have one.

The Chair: If you have two or three minutes each, that will conclude this one hour.

Linda, go ahead.

Ms. Linda Duncan: Okay. Well, this will explain to me how the government and the Senate work. I wonder if you could explain how in your budget the House of Commons pays the Government of Canada for the leader of the government in the Senate.

Why does that turn up in the budget that we vote on?

Mr. Marc Bélisle: What is the question, please?

Ms. Linda Duncan: In your mains you have \$78,000, I believe it is, to pay for the salary and motor car for the leader of the government in the Senate. I'm puzzled as to why a budget for a position in the Senate would be in something that I vote on as a member of the House of Commons. Why is it not in the Senate budget?

Ms. Michelle Doucet: That's because the leader of the Senate is a government minister and a member of cabinet. She's one of the PCO's portfolio ministers. That's why the expenses for her are listed in our main estimates.

Ms. Linda Duncan: So her salary is paid through the Senate but we pay for the car and driver?

The Chair: It's a top-up. We call it the bonus.

Does that answer your question?

Ms. Linda Duncan: Yes, it does.

The Chair: Okay. Thank you.

Mike, it's your turn.

Mr. Mike Wallace: It's not a bonus. Every cabinet minister has more work to do, including that cabinet minister, so let's be clear.

I know this isn't your area, but you are in charge of the Public Service of Canada, so I'm going to ask you one question. If you can't answer me, that's fine.

In one of the explanations in the "Canadian Transportation Accident" piece, and I just want to know if this is standard across the board—and maybe it's a Treasury Board question and not yours—it says here there's a slight deduction, which is explained by:

...collective agreements that have expired in 2011–12 and for which a new agreement has not yet been signed. The funding for terminable allowances in these collective agreements is not included in the Main Estimates.

From a financial perspective, can you tell me what's happening here? There's something in the collective agreement that they had, but it expired so they don't have to account for it until it's re-signed again? I don't know what's going on there.

If you can't explain it to me, that's fine. I'll ask Treasury Board.

I'm assuming this is something that's standard across government and not just for this agency.

Mr. Marc Bélisle: Yes, I think I would refer this question to the Treasury Board Secretariat. They would be in a better position to be able to answer your question.

Mr. Mike Wallace: Thank you.

The Chair: We've got a brief question from Ron Cannan. He's asked for a moment.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Mr. Chair.

Thanks to our witnesses.

I come from British Columbia and I represent the interior, but I used to be on the fisheries committee.

Justice Cohen has requested another half a million dollars, their total budget will be \$26.4 million, and their inquiry will be wrapping up in September of this year. So next year, following Mr. Armstrong's comments, your budget would reflect one less commissioner and a reduction of several million dollars because of the completion of that inquiry?

Mr. Marc Bélisle: Yes.

• (1625)

Mr. Ron Cannan: Thank you.

That's for sure? When you were here in March, you said it was going to be wrapped up in March, and now he's come back for another half a million dollars or so.

Mr. Marc Bélisle: That was in our mains.

When we were doing our main estimates, they were saying they would be finishing in June, so that was the money to be able to finish as of June. But they're saying that within that they'll still be able to finish within their estimated amount of \$26.4 million.

Ms. Michelle Doucet: I would just add that I think it's only the commissioner who knows when he will be finished. He has asked the Prime Minister for an extension to the end of September and the Prime Minister granted that extension.

Mr. Ron Cannan: Thank you very much. I appreciate it.

The Chair: Thank you.

Thank you very much to our witnesses from the Privy Council Office for the information about the main estimates. We appreciate your presentation and your being with us here today.

We'll excuse you as witnesses

I know that John wanted the floor for a moment.

Did you want to speak about whether or not we should be entertaining the votes that have been referred to us now or postpone that for a later date, John?

Hon. John McCallum: Thank you very much.

According to the Standing Orders, we're supposed to have the reports on plans and priorities to consider before voting on the main estimates. According to the government, those reports will be out next week. I think we have several weeks still available before we have to vote on the mains or before they're deemed approved.

I would suggest that it's not necessary to do it today. We should have an opportunity to consider the RPPs first.

The Chair: I think you've already won Mr. Wallace over with such a compelling argument.

Hon. John McCallum: That should be sufficient if his colleagues follow him.

Mr. Mike Wallace: No, that's not true.

The Chair: Wait a minute.

If I could, just before I recognize Linda, it is true that we have until the end of next month to deal with the main estimates. We have not yet heard from Environment, Heritage, HRSDC, and three or four others, at least. We have heard from Treasury Board and Public Works.

Hon. John McCallum: I guess my point is that we don't have to vote before we get the reports on plans and priorities. We're the ones doing the study and should be setting a good example. I don't see why we should break the Standing Orders to do that.

The Chair: You're right.

I caution you. You are gilding the lily, sir. You might lose support if you keep up with this.

Hon. John McCallum: Thank you.

The Chair: Linda.

Ms. Linda Duncan: To that matter, the votes deal with the questions that I raised. I don't think it's appropriate for us to be voting unless we can put those questions.

What is the possibility, in the next couple of weeks, that we can slide those officials in? I don't think it's going to take a huge amount of time.

The Chair: That's an excellent point—not to interrupt you, but...

Ms. Linda Duncan: If we could delay our long study in order to finish the estimates, that would be helpful.

The Chair: The clerk handed me this recommendation as a directive. He says, "By the end of May, the committee is going to be hearing from Environment, Heritage, and HRSDC for their main estimates."

If members want to pose questions on organizations that fall within the rubric of those departments, and if they let us know by Monday, May 7, we can make sure that those particular agencies or institutions are represented so that you can pose specific questions to them.

In the interest of the two questions you had that weren't answered, I think it's perfectly in order for us to go back to PCO and ask to have that information by the time we vote on their estimates.

Mike.

Mr. Mike Wallace: It's really not PCO's decision. If we want to invite the electoral officer to come to talk about his estimates, we can do it.

The Chair: It's a reasonable expectation that when you are dealing with the PCO's main estimates, and that's a category of the main estimates, you can ask a question on that—

Mr. Mike Wallace: No, not when they're an officer of government.

I have been around here six years, and—

The Chair: Her question wasn't about—

Mr. Mike Wallace: Let me finish, Mr. Chair.

I have been around here six years, and in every committee, when you want someone other than the main group to come concerning whatever is in here, you invite them. There's nothing wrong with inviting them. I'm okay with Linda's inviting them.

My suggestion is that when we have these other groups come, whether it's Environment or whatever, let's invite them in the same set of meetings.

We only have a few meetings left on the study of the main estimates. I'd like to get it done so that our researchers can do a report and we can get that done before we leave at the end of June.

I think there's room in the meetings we have set up already to invite people we didn't hear from today, in addition to those we have; that was my point. If we want to invite the electoral officer, we'll invite him to one of the meetings that are available for those other groups. That's my recommendation.

And the clerk made an excellent point. When you're looking at the estimates, if there is an organization within the umbrella of that ministry and you want to see that organization—I made the point that even that little secretariat that has \$6 million has its own administration—you have to invite them to do it. That's the way it has been, not just in this committee but in others.

The only other, and final, point that I want to make is that this committee has the authority to approve the main estimates only on a number of things: PCO, Public Works, and Treasury Board.

For the other ones, we don't actually...the committees they report to approve their main estimates. We don't approve their main estimates.

The Chair: Well, Mike—

Mr. Mike Wallace: I want you to check on that before the next meeting.

• (1630)

The Chair: —I have the votes here. As the chair of the committee, I have the votes here, and there are five votes under Canadian Heritage, there is a vote under the Governor General, there is a vote under Parliament, under Public Works, and under Treasury Board.

Mr. Mike Wallace: I'm questioning the Canadian Heritage ones. I don't know why those are here, because it's not the mandate of the committee.

We don't have the authority—

The Chair: I'll tell you why. They have to deal with the Public Service Commission and the Public Service Staff Relations Board, etc.

Mike, I don't think we need to have this discussion now.

Mr. Mike Wallace: I'm not really debating anything. I'm being interrupted by you, but other than that—

The Chair: You seem in an argumentative mood.

Mr. Mike Wallace: I think you are.

I think it's a good point you're making. My point was, to Ms. Duncan's request, let's invite those agencies that weren't here to answer on days when we are dealing with the estimates of other departments.

Thank you, Mr. Chair.

The Chair: We should have answers to the questions put by Ms. Duncan prior to voting on the main estimates; I agree.

Ms. Linda Duncan: For a point of clarification, Mr. Chair, I won't push the matter if we're not voting on those votes. It was my understanding that we vote on votes 5, 10, 15, 20, and 25. If we do, then those agencies are relevant.

Mr. Mike Wallace: I thought we already agreed that we're not voting on them today.

Ms. Linda Duncan: Oh no, not today, but we will vote on them.

Mr. Mike Wallace: Oh, eventually we will, yes.

Ms. Linda Duncan: I think it's our right and obligation to be informed, and I would like to put on the record that I'd like to have the head of CEAA.

The Chair: The head of...?

Ms. Linda Duncan: CEAA, the Canadian Environmental Assessment Agency, with the Department of the Environment, because they are a separate agency and that's one I can think of off the top of my head.

Mr. Mike Wallace: Do we have estimates in the estimates book?

Ms. Linda Duncan: I don't know.

The Chair: The clerk has made a note of it and we will endeavour to give you satisfaction on that, Linda.

Okay, I think there's general....

Ron, go ahead.

Mr. Ron Cannan: I was observing the conversation you two were having; it's kind of indicative of our whole bigger meeting we're having, looking at the process. In Australia, they submit the questions in writing in advance, so then the minister of the department has those questions. I think that's another good recommendation as we move forward in our report.

The Chair: I think you're right. The difficulty we're having today is sort of a graphic illustration of the larger problem we have in effectively dealing with the estimates. So it's a good case study we're giving ourselves, as we speak.

Anyway, we now have our next round of witnesses. I think we are in agreement. John, you've made a good point. We concur that we will postpone the taking of the votes, the votes that have been referred to this committee.

We're going to go ahead and welcome our next witnesses, as it's roughly 4:30 p.m. here.

This is the Canadian International Development Agency, dealing with their estimates.

Welcome to Greta Bossenmaier, senior executive vice-president at the Canadian International Development Agency. You are very welcome, Ms. Bossenmaier. Usually we give you five or ten minutes to make opening remarks and then open it to questions from the committee members.

So if you'd like to introduce your delegation, you have the floor.

• (1635)

Ms. Greta Bossenmaier (Senior Executive Vice-President, Canadian International Development Agency): In May 2009, CIDA concentrated its focus on three thematic priorities to frame its international assistance efforts, namely, increasing food security, securing a future for children and youth, and stimulating sustainable economic growth. These priorities apply across all of CIDA's program activities and integrate environmental sustainability, gender equality, and governance.

With respect to food security, ensuring access to safe and nutritious food is one of the most effective ways to reduce poverty in developing countries. To advance this priority, CIDA is focusing on hunger and malnutrition for some of the world's most vulnerable people. CIDA supports sustainable agricultural development, food aid and nutrition, and research and development to make significant improvements to food security outcomes. For example, in Ghana, CIDA is supporting food security initiatives in the north, where the situation is most severe, investing in agricultural research and business, and working to strengthen farmer-based organizations.

This support has contributed to a 5.3% growth in the country's agricultural production and growth in key staple crops.

[Translation]

In the context of securing a future for children and youth, the issues faced by children and youth are core to our development agenda and to poverty reduction.

CIDA places the well-being of children and youth at the centre of its international efforts to improve human development outcomes. This thematic priority includes a particular focus on child survival, including maternal health, access to quality education, and safety and security.

[English]

For example, in Haiti, CIDA support for the World Food Programme enabled the provision of a hot daily meal to 400,000 primary school students. This has helped to reduce chronic hunger and malnutrition among school-aged children and has increased primary school enrolment and attendance rates.

CIDA's sustainable economic growth strategy focuses on stimulating lasting, inclusive, and sustainable economic growth. In order to create employment and economic opportunity, to raise incomes, to increase public revenue and generation, and to reduce poverty in developing countries, CIDA prioritizes activities that build economic foundations, grow businesses, and invest in people.

To achieve development results, CIDA collaborates with a wide range of Canadian and international partners, including private, governmental, non-governmental, and multilateral organizations.

Mr. Chair, I would now like to turn to CIDA's main estimates. I would note to members of the committee that as the main estimates were finalized in advance of the tabling of the economic action plan 2012, decisions concerning CIDA announced in the plan will be reflected going forward in the agency's quarterly financial reports and through established reporting mechanisms.

● (1640)

[Translation]

CIDA's budgetary expenditures presented in the main estimates for 2012 are \$3.4 billion. Of this amount, a sum of \$3.1 billion requires approval by Parliament.

[English]

The remaining amount of \$273.7 million represents statutory forecasts and is provided in the estimates for information purposes. The vast majority of these statutory forecasts represents the amount for the encashment of notes issued to the development assistance funds of international financial institutions. Issuances and encashments of notes are used to finance the concessional lending programs and grants of international financial institutions, such as the Asian Development Bank, the African Development Bank, the Caribbean Development Bank, and the Inter-American Development Bank.

As compared to CIDA's main estimates for 2011, the 2012 budget authorities are \$22.9 million, or 1% less than they were in 2011.

[Translation]

Some of the factors contributing to this net decrease of budgetary authorities are: a transfer of \$9.2 million to Shared Services Canada to pool existing resources from across government, to consolidate and transform its information technology infrastructure;

[English]

a decrease of \$6 million to reflect the end of additional funding received in fiscal years 2010 and 2011 that addressed higher operational costs incurred during that time with respect to our programming in Afghanistan; a net reduction of \$4.5 million in the aid budget resulting from a number of adjustments, such as a reduction as a result of a transfer to the Department of Foreign Affairs and International Trade for the Canada Fund for Local Initiatives—to explain, the Canada Fund supports small-scale development projects in a number of countries, while at CIDA, the Canada Fund was managed within the various country programs; the sunsetting of funding for a rural water supply and sanitation program, offset by increased funding for maternal, newborn, and child health; and net transfers from the Department of Foreign Affairs and International Trade to reflect adjustments to assessed contributions and the cost of CIDA's operations abroad.

For the past several years, CIDA has prioritized improving the effectiveness of international assistance.

[Translation]

Moving forward, CIDA will continue to deliver on its mission to lead Canada's international effort to help populations living in

poverty. We will continue our efforts to make CIDA's aid more focused, effective, accountable and transparent.

[English]

We will continue to focus our efforts where they have the greatest impact. This means that we will continue to deliver on Canada's Muskoka initiative commitment to improve the health of mothers and children. It means that we will continue to advance our work on increasing food security, securing the future of children and youth, and helping developing countries achieve prosperity by growing their economies and building new opportunities for their citizens through sustainable economic growth initiatives.

Lastly, it means that the agency will continue to assist those affected by natural disasters or humanitarian crises, as we are currently doing in the humanitarian responses in both the Sahel region and the Horn of Africa.

Mr. Chair, in the interest of time, I will end my remarks here.

● (1645)

[Translation]

My colleagues and I are available to respond to your questions.

[English]

The Chair: Thank you very much, Ms. Bossenmaier, for the presentation.

We'll go directly into questions from committee members.

First, for the NDP, Denis Blanchette for five minutes.

[Translation]

Mr. Denis Blanchette: Thank you, Mr. Chair.

I want to thank our guests.

My first question concerns what you refer to as a reduction of \$4.5 million in the aid budget resulting from a number of adjustments. Finally, what this means is that the money will simply be transferred elsewhere. I would like you to explain why.

Ms. Greta Bossenmaier: Thank you. I am going to ask our representative from the financial group to reply.

[English]

Mr. Arun Thangaraj (Director General, Business Planning Resources Management and Systems, Canadian International Development Agency): The \$4.5 million decrease in grants and contributions was due to several factors, as Mrs. Bossenmaier indicated—the end of a \$12 million three-year program for rural water sanitation, a transfer to DFAIT for the Canada Fund for Local Initiatives. There were also net transfers from DFAIT, one for assessed contributions and members of international organizations. Our membership fees are set, but those adjust depending on the currency valuation.

Because of those changes, there was a transfer to CIDA. We make those payments at the beginning of the year and they are set at the beginning of the year, depending on what the exchange rate was.

[Translation]

Mr. Denis Blanchette: So, the \$4.5 million do not represent a reduction as such, but simply a transfer of funds. Is that so?

[English]

Mr. Arun Thangaraj: It is a reduction in our overall—

[Translation]

Mr. Denis Blanchette: You understand what I mean. In the context of your budgets, it is a reduction, but it is not really one, since the money is simply reallocated elsewhere. Is that correct?

[English]

Mr. Arun Thangaraj: That's correct.

[Translation]

Mr. Denis Blanchette: Very well. So you are transferring \$9.2 million to Shared Services Canada. Are you transferring all of your IT budgets or are you keeping a part of these activities within your agency?

[English]

Mr. Arun Thangaraj: The \$9.2 million represents the portion of our IT budget that relates to telecommunications, data centres, and networks. We do retain a portion of our budget that deals with certain elements of our IT infrastructure and systems development, for example.

So it's only a portion of our IT budget, not the full IT budget and information management budget, per se.

[Translation]

Mr. Denis Blanchette: There is an \$8 million reduction in an area you refer to as “fragile countries and crisis-affected communities”. Does that mean that there is a change in the way in which CIDA intervenes, in other words that CIDA will be less present when there are international crises?

[English]

Mr. Arun Thangaraj: The reduction that you see for the fragile countries program activity of \$8 million is largely due to the reduction that was stated earlier for Afghanistan. There are always in-year adjustments that occur in response to situations in fragile countries through our humanitarian assistance program. Those are usually highlighted in the supplementary estimates process.

At the beginning of the year, when we estimate what our spending is along those program activities, it is an estimate at this point. Given the reduction in Afghanistan, we reflected reduction in that program activity of \$8 million.

[Translation]

Mr. Denis Blanchette: In your budget forecasts, a section is devoted to grants and another to contributions. It is like a roller coaster. At one point, we see that grants for multilateral programming increased by \$68 million, but that contributions for bilateral programming were reduced by \$66 million. I would like to know what happened there.

[English]

Mr. Arun Thangaraj: That's a reflection of an internal reallocation of, again, our estimate, based on last year's expenditures and our expenditure pattern and how we do our programming. Based on that analysis, and, for example, when we respond to international crises, we have reallocated money from our contributions program to multilateral grants through global institutions that provide humanitarian assistance and funding. So it's more of an internal realignment between those two classes of grants and contributions.

● (1650)

[Translation]

Mr. Denis Blanchette: What is this realignment due to? What was the reason for it?

[English]

Mr. Arun Thangaraj: As I said earlier, that realignment was due to an analysis of our programming. As our programming flows through multilateral channels, we have realigned internally the spending toward multilateral. As to what it does, it allows us to more quickly respond to situations that develop rapidly, such as humanitarian crises.

[Translation]

Mr. Denis Blanchette: Thank you very much.

[English]

The Chair: Thank you, Denis. Your time is up.

For the Conservatives, Kelly Block, for five minutes.

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Thank you very much, Mr. Chair.

I would also like to thank our guests for joining us today.

In your opening remarks you referred to three thematic priorities, one of those being the well-being of children and youth. With a particular focus on child survival, including maternal health, access to quality education, and safety and security, I, for one, am extremely proud of the leadership provided by the Government of Canada to both G-8 and non-G-8 countries, and leaders of countries, to support maternal and child health through the Muskoka initiative. In CIDA's most recent statistical report on international assistance, 2010-11, it was noted:

Every year, an estimated 350,000 women die in childbirth and pregnancy in the developing world and eight million children die before their fifth birthday. At the 2010 G-8 Summit, Canada committed \$1.1 billion of new funding to the Muskoka Initiative on Maternal, Newborn and Child Health in 2010, in addition to existing funding.

I had assumed that these main estimates provided support to maternal and child health, and I guess you confirmed this in your opening remarks when you stated that there was increased funding for this program. I'm just wondering if you would tell us a little bit about that, and provide us with an update on this program.

Ms. Greta Bossenmaier: Thank you for the question.

Yes, I did reference in my opening remarks that the main estimates do reflect an increase due to our commitment to maternal and child health. So what you're seeing in the estimates is this 2012-13 increase.

I can maybe speak a little bit about the program and how it's going. As members will recall, with the 2010 G-8 presidency, Canada championed the G-8 Muskoka initiative on maternal, newborn, and child health, and this in fact helped to pave the way for the United Nations secretary general's global strategy for women's and children's health.

Through the Muskoka initiative commitment, CIDA is supporting the delivery of quite a comprehensive and integrated health services program at the local level, where in fact they are the most needed. Of the \$1.1 billion that was committed, more than \$830 million of that has already been announced for projects in Africa, in the Americas, and in Asia.

I think it's also important to point out to members that 80% of CIDA's maternal, newborn, and child health funding is going to countries in the region of sub-Saharan Africa, in which there is great need.

In terms of our MNCH, our maternal, newborn, and child health program, we're working for results in three different ways. We're working directly with a number of developing countries. We're also working with the multilateral and global partners, and we're also working with Canadian development organizations in the development countries. We're doing so along what we call "paths". We have three integrated paths: strengthening health systems, improving nutrition, and addressing leading illnesses and diseases.

It may be helpful, if I may, to provide a few examples of the kinds of support we are providing.

One example of support is the work we're supporting in Bangladesh, where we have 63,000 mothers and 94,000 children who will have regular, on-site access to basic pre-natal and post-natal care, basic health care, and trained midwives.

In Haiti, for example, with Canadian support, the total number of women receiving free health care while giving birth will increase from 60,000 deliveries in 2011 to more than 90,000 by 2015. That's the expected number.

We're also supporting an African medical and research foundation in Tanzania, and its aim is to strengthen the delivery of health services to approximately 650,000 women, newborns, and young children in one particular region in Tanzania.

I hope that answers your question.

• (1655)

Mrs. Kelly Block: Yes, thank you.

The Chair: You have five seconds left if you like, Kelly.

Mrs. Kelly Block: How many countries of focus were there for the Muskoka initiative?

Ms. Greta Bossenmaier: I'm going to turn to our director general from our geographic programs branch.

Would you have that information?

Ms. Julia Hill (Director General, Planning, Operations and Specialists Directorate, Geographic Programs Branch, Canadian International Development Agency): Yes. There are 10 countries.

Mrs. Kelly Block: Thank you.

The Chair: Thank you, Kelly.

Next, for the NDP, we'll have Linda Duncan. You have five minutes.

Ms. Linda Duncan: Thank you, Mr. Chair.

And thank you again for appearing.

Just for the record, I want to express our disappointment that the minister has not appeared. We fully expected her to be here. It's our opportunity to question her.

I have a couple of questions.

I noted that in the report of the Auditor General in 2009, she reported on red tape. Now, this government has been very diligent in saying that it's going to reduce red tape for businesses in Canada and reduce the intrusion of the administration.

The Auditor General, in her 2009 report, on page 27, says "[b]urdensome administrative processes hamper effective decision making". I know, from my personal experience working on major CIDA projects in Indonesia and Bangladesh, that the level of reporting can sometimes go to the point of absurdity, and it can be hard to find time to actually deliver the aid project.

I wonder if you could tell us if you've included in your main estimates any kinds of initiatives for reducing that administrative burden in response to the Auditor General. And in what way does that improve the delivery of aid? In some way, does that have to do with reducing the number of PYs in CIDA? In other words, there's less work to do administering all of this reporting.

Ms. Julia Hill: Thank you for the question.

We do have a business modernization initiative in the agency that was launched, I would say, two years ago that is working quite diligently at streamlining processes. There's some re-engineering involved in that. There is also a very significant effort around results and reporting to bring together and facilitate much of the work that is required. We make sure that we have clear, well-articulated results that are consistent with Treasury Board expectations, and we tie them back to our processes to make sure they're simplified.

Ms. Linda Duncan: Can you tell me the percentage of time in the projects, in their budgets, for reporting, and has there been any reduction in the number of staff needed at CIDA headquarters to oversee all the administrative reporting?

Ms. Julia Hill: We're still at a pilot stage with a number of them. Certainly on the pilots, we are finding that it's a more efficient process. It's early days yet to be able to provide overall savings.

Ms. Linda Duncan: Thanks.

I've noted since I was elected that there has been a reduction in and a consolidation of the number of countries Canada is delivering aid to. I'm wondering if you could advise us on the criteria for determining which countries are struck off and which are included. Is that criteria transparent? Is it at the discretion of the minister? Is it at the discretion of CIDA? Do those factors include good governance, transparency, and reduced corruption?

Ms. Julia Hill: There were a number of criteria established, which included need, the ability to actually make a difference, and the effectiveness and efficiency of working with that country. It's on that basis that propositions came forward from the department. Those are the decisions of the government rather than the department.

Ms. Linda Duncan: I'm simply raising that because in the introductory remarks it was mentioned that one of the priorities for CIDA is to support the development of good governance. It seems logical to me that one of the criteria for continuing aid where there's been aid for 10, 20, or 30 years, for example, would be whether they are moving in a path of reducing corruption and improving good governance. Is that not right now one of the criteria for deciding who's in and who's out?

• (1700)

Ms. Julia Hill: I would suggest that it's part of what we consider the ability to make the difference. And there is efficiency and effectiveness. Can you actually work in that country? Can you actually work with that government? Is the government actually behind its own poverty reduction strategy?

Ms. Linda Duncan: Okay. That's interesting.

Ms. Julia Hill: I'm sorry, when I say the government, I mean the developing country government.

Ms. Linda Duncan: There's been some level of controversy around this move of having CIDA help pay for public engagement by Canadian mining companies. I'm wondering if those projects are now categorized under CIDA-INC, if that still exists. Can you tell us what percentage of CIDA dollars now go to CIDA-INC industry-related projects versus general aid through governments or through NGOs—NGO to NGO or community to community?

Ms. Julia Hill: We were just conferring to try to get the date correct, but INC is no longer a part of CIDA. It was transferred to the Department of Foreign Affairs and International Trade a couple of years ago.

Ms. Linda Duncan: So this project where some CIDA projects work with mining companies, that's not with CIDA-INC; it's now in CIDA. So there are two pockets for industry now?

Ms. Julia Hill: Yes, that would be through partnership.

Mr. Arun Thangaraj: Yes, to the extent that those projects are funded by CIDA, they would be in our Partnerships with Canadians branch, and they would be included in the estimates.

Ms. Linda Duncan: Okay, thank you.

The Chair: Your time is up, Linda, I'm afraid.

Next we're going to Bernard Trottier for five minutes.

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Thank you, Mr. Chair.

Thank you, members of CIDA, for coming in this afternoon. It's really important that you're here to talk about the estimates.

I should remind the committee that the minister actually did defend the main estimates in front of the foreign affairs committee on March 14. There was a question raised earlier about the disappointment that she wasn't here. As we were talking about, other ministers do go in front of their committees to defend their estimates.

I was reading your report that you put together. It's the CIDA "Statistical Report on International Assistance" for 2010-11. I believe that's the latest report that's available online. When will the next report be available?

Ms. Greta Bossenmaier: It's an annual report, and I don't have in front of me the exact date it's coming out.

Mr. Bernard Trottier: Sometime after the end of the fiscal year, presumably?

Ms. Greta Bossenmaier: Yes.

Mr. Bernard Trottier: I'll cite some numbers from the 2010-11 report, just because I want to put what you're doing at CIDA into a longer-term context. In 1990 you cited some numbers here—this was your report to the OECD Development Assistance Committee—in current U.S. dollars, and I guess that's an agreement among countries to have a similar basis for reporting numbers. In 1990, and this was the combination of bilateral and multilateral aid, total development assistance was \$2.5 billion in 1990, and about 60% of that, I understand, was CIDA. It went to a low 10 years later in 2000 of about \$1.8 billion, and in 2010-11 it was far more than double that at \$5.1 billion.

Can you describe CIDA's trend over that 20-year period, what's happened with those budgets? Has it tracked that overall development assistance expenditure that you cite in your report? At \$5.1 billion, obviously, there are things in there that are from the Department of Finance, such as debt relief and so on. It's not all just CIDA budgets, but out of that \$5.1 billion, your main estimates are \$3.5 billion. Could you describe what those points in time, 1990, 2000 to 2010, would look like for CIDA?

Ms. Greta Bossenmaier: Thank you for the question.

I don't have those three different reference points in front of me. You are correct that this year's main estimates are \$3.4 billion.

I'm looking at my colleagues to see if anyone has that information from those three data points. If they don't, we could get back to you.

Mr. Bernard Trottier: I hate to pin you down on a specific number, but is it fair to say that in the last 10 years, between 2000 and, say, 2010-11, CIDA's budget has increased a lot?

Mr. Arun Thangaraj: It has. The government has committed to increase the international assistance envelope, and that's why you see the growth in that number. As a result, CIDA received an increment on an annual basis up until a couple of fiscal years ago that increased the size of its budget.

In addition, there have been items provided through the supplementary estimates process—for example, the climate change financing was provided through the last supplementary estimates process. And that, again, increased the amount you would see in that report.

• (1705)

Mr. Bernard Trottier: Okay. Another thing I noticed in your report is the percentage of your aid that's untied now. Ten years ago, in 2000, about 75% of bilateral aid was tied, meaning that you had to use Canadian suppliers; in 2010-11 the trend was getting well above 90%. Could you describe the situation now with bilateral aid?

Ms. Julia Hill: Yes. Also, if I may, Mr. Chair, I would like to add to the first part of the answer that of course in that period to which the honourable member referred, we've also doubled aid to Africa. So that was a significant achievement.

I've now forgotten the second question, I'm sorry.

Mr. Bernard Trottier: It had to do with tied aid versus untied aid. What's the situation currently with untied aid?

Ms. Julia Hill: Thank you.

Since 2008 all food aid has been fully untied, and that's quite an achievement. It's something that governments and countries have talked about for many years, and Canada really led the way. So that was a significant achievement.

We have virtually untied all the rest of our aid as well. There's a tiny proportion that is related to specific requests for Canadian expertise, so that is still defined as falling in technical assistance as tied aid, but it is only when it is for Canadian expertise.

Mr. Bernard Trottier: Thank you very much.

How much time do I have, Mr. Chair?

The Chair: You have 20 seconds, Bernard.

Mr. Bernard Trottier: I have 20 seconds?

I won't try to fire a lightning question at you. Thank you for your time.

The Chair: If you don't mind, I'll use up that 10 seconds and just ask you to clarify what Bernard was getting at. The figure they use internationally is sort of the percentage of GDP. I know that with regard to overall development aid, internationally, they were striving for 0.7% of 1% as the figure.

Where are we in that figure now?

Ms. Greta Bossenmaier: I'm sorry, I don't have those numbers in front of me.

Hon. John McKay (Scarborough—Guildwood, Lib.): It's 0.29%

The Chair: I'm sorry, John, 0.29%? You happened to have that figure on your magic machine. Fair enough.

Next we have John McKay. Welcome, John.

Hon. John McKay: Thank you, Chair. We appear to have reversed positions.

The Chair: I see that. I know.

I was probably a much better chair in the last Parliament.

Hon. John McKay: I don't know about that, but you certainly are helped by a very able clerk.

The Chair: Yes, we are indeed.

Hon. John McKay: First, with respect to CIDA's mandate, you give this paragraph with respect to CIDA's mandate, which is actually not true.

CIDA's mandate is set out in the legislation, the better aid bill. The bill says that your mandate is poverty alleviation, taking into account the perspectives of the poor, and consistency within our international human rights obligations. That's your mandate.

I'm kind of surprised that when you made your presentation you actually didn't reference yourself to the law. From there flows everything else. The bill was passed in the first instance so that we wouldn't be flavour of the day, whatever the minister felt was the specific interest.

I would take note of that and ask you in the future to reference the actual mandate of CIDA as set out in legislation.

The second issue has to do with the minister getting herself into a pack of trouble these days with respect to overspending, or spending money that is inappropriate.

Has the minister written a cheque back to the government?

Mr. Arun Thangaraj: Yes, she has.

Hon. John McKay: Okay, good. Thank you.

Some people have done a significant analysis of the decline. In fiscal year 2010-11, ODA as a percentage of GNI was 0.34%. It's projected in the budget, over five years, to decline to 0.24%. Do you agree with that?

Ms. Greta Bossenmaier: I'm sorry, the question was do I agree with those facts?

Hon. John McKay: Do you agree with the analysis of the figures?

Ms. Greta Bossenmaier: I'm not sure what you're referring to. I don't have the same document in front of me.

Hon. John McKay: It's pretty simple. You take estimated ODA in 2010-11 at \$5.5 billion and by 2015-16 it's down to \$4.8 billion.

Ms. Greta Bossenmaier: I'm sorry, I don't have the same figures in front of me. I'd be pleased, if the committee should wish, to get back to you with the percentage of ODA over the last number of years—

Hon. John McKay: You'd have to agree, though, that's a pretty substantial decline, from 0.34% to 0.24%—10 points.

I don't think that's an unfair question. I would have thought that would be right at the top of mind.

• (1710)

Mr. Arun Thangaraj: The challenge with any ODA/GNI figure is that it requires a multiple of variables. One is the actual level of aid. When we do that calculation, we adjust for currency rate, currency fluctuations, the rate of growth of the Canadian economy. It is very difficult to predict what the ODA/GNI ratio is prospectively. That's why we do it retrospectively for previous years.

Hon. John McKay: I have two years of a retrospective here and three years that are prospective.

I'll leave the figures with you and ask you for your comments on them, because they strike me as accurate and they strike me as going in the wrong direction.

The second issue has to do with the actual—

Mr. Mike Wallace: On a point of order, for the answer to be accurate, could you provide the committee with where you're getting these numbers from, so that they know where you're getting the numbers from and can react appropriately?

Hon. John McKay: Sure. It's CCIC.

Mr. Mike Wallace: Thank you.

Hon. John McKay: The second issue has to do with the cuts taking place and who is carrying the load here.

The numbers I have are that, essentially, CIDA is carrying the load of the cuts but Finance Canada isn't taking any of the load. In terms of percentage shares of ODA, CIDA does 75% of it, Foreign Affairs 8% of it, Finance Canada 10%, and International Research and Development gets 3%.

When you look at the cuts, they are all to CIDA, all to Foreign Affairs, and all to International Research and Development, but nothing to Finance. Can you explain that?

Ms. Greta Bossenmaier: I'm here representing CIDA and our main estimates. I'm not able to speak to the Finance figures.

Hon. John McKay: Can you confirm, then, that the cuts to CIDA will be \$663.5 million?

Ms. Greta Bossenmaier: What I can confirm, in looking at our reductions over the next three years, is that we will have reductions of \$152.7 million in fiscal year 2012-13. That will grow to \$191.6 million in fiscal year 2013-14, and in fiscal year 2014-15 it will be \$319.2 million.

Hon. John McKay: So that sounds about right: over those three years it's about \$600 million. Am I hearing you correctly?

Ms. Greta Bossenmaier: I'm just going to ask our financial—

Mr. Arun Thangaraj: Those numbers are not cumulative. The ongoing impact is the \$319.2 million.

Those reductions are phased in, so in 2012-13 it's \$152.7 million; in 2013-14 it's \$191.6 million, and \$319.2 million ongoing. And that is the total.

Hon. John McKay: So am I to add \$191.6 million to \$319 million, or is it \$319 million going forward?

Mr. Arun Thangaraj: The \$319 million is the going forward number, yes.

Hon. John McKay: Then I'm going to send this to you and I'm going to ask for some clarification, because the way I'm reading this analysis is that the total cut is \$663 million.

That's interesting information, but it is out there as to the....

Where am I in terms of time?

The Chair: You're over your time, I'm afraid.

Hon. John McKay: Okay. You're a generous chair—far more generous than ever I was to you, Chair.

Some hon. members: Oh, oh!

The Chair: You may well be right.

Hon. John McKay: On the other hand, I'm not nearly as entertaining, and I apologize for that.

The Chair: Well, you're quite entertaining. You're always welcome here, John. Thank you.

Next is Mr. Peter Braid.

You have five minutes, Peter.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you, Mr. Chair.

Thank you, Ms. Bossenmaier, to you and your colleagues for being here today.

I want to begin by reiterating some of the remarks of my colleague Ms. Block, who spoke about the significant positive impact that our government's maternal and child health program is having on countries and people in the developing world. I have been fortunate enough in the last two years to visit both Ethiopia and South Sudan. In Ethiopia in particular, the focus of my visit was to observe first-hand the very positive impacts these programs are having on the ground for mothers and children.

Here is my first question. You indicated that with respect to maternal and child health, we have 10 countries of focus. I understand that overall CIDA has 20 countries of focus. Could you confirm that and also explain why CIDA has dedicated itself to those particular 20 countries of focus? What are the benefits and advantages of that focus?

• (1715)

Ms. Julia Hill: Let me ask for clarification to make sure that I have the question correctly. Are you looking for a confirmation that we have 10 countries of focus within which maternal and newborn child health is being done?

Mr. Peter Braid: No, I'm looking for confirmation that CIDA has 20 countries of focus overall, and for further elaboration on the purpose of that country list focus and the benefits it brings.

Ms. Julia Hill: Yes, there are 20 countries of focus.

The objective of establishing countries of focus was to enable us to better concentrate our resources in order to have much more impact. Previously, we could have been involved in more than a hundred countries, and if I can use the analogy, it was a scattershot approach; it was a little more difficult to know that one was actually achieving results.

By focusing on a smaller number of countries using those criteria of need, efficiency, ability to work, and on whether we can actually make a difference and how it fits with Canada's strategic priorities, we're more able to establish a frame that enables us to first of all articulate results for the future and then to measure against them. If you can't name it and you can't measure it, you can't actually be sure that you're making progress.

Within those 20 countries of focus we further concentrated, identifying among them the three thematic priorities that Ms. Bossenmaier mentioned in her opening remarks, to ensure that we knew within each country which thematic priorities we would work within.

There is a connection there, because under the principles of aid effectiveness, of course, there is the notion of harmonization and country ownership. If I think of the country ownership and the harmonization, we had to make sure that what we were seeking to do—which met our criteria within our thematic areas—also met with the recipient country's poverty reduction strategy. They all have something of that ilk themselves. We were looking for that sweet spot wherein everybody's interests coincided and we knew that the recipient government was really behind the initiative; that enabled us to move forward.

The countries of focus are: Bangladesh, Ethiopia, Ghana, Mali, Mozambique, Pakistan, Senegal, Tanzania, Vietnam, Bolivia, the Caribbean region, Colombia, Honduras, Indonesia, Peru, and Ukraine.

Mr. Peter Braid: Thank you.

My second question pertains to the issue of emergency humanitarian crises.

I wanted to understand, when an unexpected crisis occurs—for example, the earthquake in Haiti, floods in Pakistan, and to perhaps a lesser extent, but still to some degree, the food crises in the Horn of Africa or currently in the Sahel—and when the Government of Canada responds to those emergency humanitarian crises by dedicating resources, do those resources come from the annual funding envelope of CIDA?

Mr. Arun Thangaraj: Our budget has a provision for international humanitarian assistance on an ongoing basis. The difficulty with a humanitarian crisis is that the extent is unpredictable and the extent of the response is unpredictable, so there are two mechanisms. This government has used the matching fund, where Canadians have been asked to donate and where the Government of Canada matches resources provided up to a specific amount. In addition, we use the supplementary estimates process to request additional funds.

In the international assistance envelope there is a mechanism called the crisis pool, where we can request additional funds. In our reference levels we have \$50 million, which we can access quickly to respond. If the response required is larger than that, we go to the international assistance envelope and we request money through a Treasury Board submission and the supplementary estimates process.

Mr. Peter Braid: Thank you.

I appreciate that answer.

The Chair: Thank you very much.

Next, for the NDP, Raymond Côté.

Raymond, for five minutes, please.

[*Translation*]

Mr. Raymond Côté (Beauport—Limoilou, NDP): Thank you, Mr. Chair.

I thank the witnesses for being available to answer our questions.

I want to talk again about program activities in relation to fragile countries and crisis-affected communities.

In your reply to my colleague Denis Blanchette, you stated that the reduction of approximately \$8.5 million involved activities in Afghanistan. There was something else as well. I would like us to examine overall tendencies. There are increases that will benefit low-income countries and middle-income countries, but there is a decrease in the Canadian commitment to development. Why is CIDA increasing funds for the categories I have described, and why is it reducing them for fragile countries and for our commitment to development, with the exception of our commitment in Afghanistan?

• (1720)

[*English*]

Mr. Arun Thangaraj: As I've stated before, the decrease in fragile countries is due to two factors. Mainly due to Afghanistan, the \$6 million of funding, there is a small portion...when we have personnel abroad, we pay the Department of Foreign Affairs a certain amount because we don't have personnel abroad. There is a reduction that's associated with fragile countries.

With Canadian engagement, the reason there's a decrease in the previous main estimates...we had estimated an amount that would be spent for the Office for Democratic Governance. When we looked at our actual spending pattern, we had overestimated what should have been attributed to that program activity. So what you see in these main estimates and the reduction for Canadian engagement is just a reflection of that reduction. It reflects what the actual spending was last year.

When we're estimating what we're spending in future years, it's more reflective of what our actual spending is. It's the same thing for middle-income countries. It's an adjustment that we have internally that reflects spending patterns historically. So when we estimate what we're going to do for the upcoming fiscal year, we have those year-end adjustments.

[*Translation*]

Mr. Raymond Côté: Very well. Thank you very much.

I attended a conference on the millennium objectives in London. It was pointed out that for its part, Canada had changed its perspective and reduced tied aid considerably. Its commitment in this regard was acknowledged.

However, you say this in your presentation: "CIDA's sustainable economic growth strategy focuses on stimulating lasting, inclusive and sustainable economic growth". You also refer to creating employment and economic opportunity. I must acknowledge that I may have been a bit hard on one of the groups of witnesses. I had some direct things to say to one individual who represented a large international company and was preaching to developing countries. This individual was asking them to be very welcoming toward foreign investors.

In light of this strategy, I wonder if you will be able to reassure me with regard to CIDA's commitment, and assure me that you will not be asking the countries we want to help to meet objectives that are related to private Canadian investors.

Ms. Julia Hill: It will be my pleasure to do that. I don't have the French document before me and so I am going to translate this one; it may not be precise.

Our sustainable economic growth strategy has several components. The first is to ensure that the policy and institutions in the country in question are really robust, that they respect the law, that there is political stability, etc.

As for infrastructure, we want it to be solid, but here again, our aid is not linked to Canadian interests. The projects can go forward, and those that offer the best project at the best price will be selected.

We also want to ensure that the workers are well trained. We focus on young people particularly, because not having work causes enormous difficulties for them. This is a very important component.

The role of women is also very central. It must be clear that when it comes to economic development, women must take their place. In February of this year, a conference that was sponsored by the minister focused on sustainable economic development for women in particular.

Then there is agriculture. In developing countries, a large part of production comes from agriculture. Here again, this is not linked to our own agricultural products.

•(1725)

Mr. Raymond Côté: Do I have any time left, Mr. Chair?
[English]

The Chair: You're well over time, Raymond, I'm sorry.

Mr. Raymond Côté: Okay.

Merci beaucoup.

The Chair: Thank you very much.

For our final round we will go to Ron Cannan.

You have five minutes, Ron, if you like.

Mr. Ron Cannan: Thank you very much, Mr. Chair.

Thank you to our witnesses for being here.

As a Rotarian, one issue that's near and dear to our international club is the eradication of polio. It's down to three countries left with endemic polio.

I'm just wondering if there is ongoing partnership with Rotary International, if there is funding provided.

Ms. Julia Hill: I'm trying to think off the top of my head...

Certainly we've had a major initiative in Afghanistan that has been quite successful. Pakistan has also been touched, because of course they're contiguous regions.

Most of our support to polio is through the United Nations systems. I am less familiar with that component because I work more in the geographic area.

Unless one of my colleagues has more to offer, I would happily come back with a written response.

Mr. Ron Cannan: Okay. I appreciate that. I know that the international conference is next month in Thailand, so they're continuing to focus on that initiative.

With regard to funding to Africa, one of the other club members has been working in the Horn of Africa. One of the commitments we had in Canada was to double our aid.

Maybe you could elaborate a little bit on how successful we have been in accomplishing that goal compared to the rest of the world.

Ms. Julia Hill: Those of us who work anywhere in international development are very proud that Canada is known for keeping its commitments.

As far as doubling aid to Africa, we met that objective in 2009-10. We have maintained that level. On our aid going forward, as Ms. Bossenmaier mentioned in her opening remarks, 80% is still targeted at Africa, particularly for maternal, newborn, and child health.

Mr. Ron Cannan: Congratulations to all of you for accomplishing that. It's something we all should be proud of as Canadians. I know I am.

I had an opportunity, with my wife, to spend some time working in a children's orphanage in Brazil. Working with NGOs is one of the successes of our government—working in a higher concentration, keeping the money out of corrupt governments, and getting into the private sector, to non-government organizations that are very successful.

Maybe you could give us an update on Haiti. I know there is very caring compassion and generosity displayed by Canadians in the matching of contributions. I know in your opening comments you indicated about \$400,000 to the food program and some other initiatives as well.... Perhaps you can enlighten us. Thank you.

Ms. Julia Hill: Yes, I'll be happy to.

Haiti is one of our 20 countries of focus, of course. It's our biggest program, and it has been a long-term priority for the Government of Canada. It has been our largest aid recipient for the past three years, but it was always amongst the top. A lot of progress has been made in Haiti since the 2010 earthquake, and more than two-thirds of displaced people have now left the camps.

Our work in Haiti is producing tangible, measurable results, and that's part of the system I was referring to earlier. We can say that approximately 400,000 Haitians now have access to credit and financial services. That's very important under the sustainable economic growth component we were discussing earlier.

In Haiti, 330,000 women delivered their children with the assistance of qualified medical professionals; over a million Haitian boys and girls are receiving nutritious meals daily; and 4.8 million Haitians have been registered in Haiti's civil registry, which gives them access to essential services. I think those of us who live in a country where we take that for granted can't underestimate the importance of actually having an identity and being registered in a registry.

We're working very closely with the Government of Haiti and our development partners to make sure that efforts are coordinated, effective, transparent, and accountable. There are a lot of people in Haiti. We need to make sure we're not doubling efforts, missing gaps, and wasting resources.

Through the Haiti earthquake relief fund—with the catchy title of the HERF—the Government of Canada matched donations of \$220 million made by individuals to eligible registered Canadian charities. The HERF is now 99% disbursed, and the remainder of about \$3 million will be disbursed in the course of this fiscal year.

A lot of additional work we have done, of course, is urgent humanitarian assistance to Haiti immediately following the earthquake. There was an additional \$400 million committed over two years for reconstruction, and we have met that commitment.

We have three thematic priorities in Haiti. We work in sustainable economic growth, food security, and the future of children and youth.

● (1730)

Mr. Ron Cannan: That's a very impressive checklist. Thank you very much on behalf of all Canadians. We know that we are blessed with the greatest country in the world, so it's good that we can play a little part. There's more to be done and we'll continue to do our best.

Thank you very much.

The Chair: Thank you, Ron, and thank you, Ms. Bossenmaier, for being with us today and making this presentation. We appreciate it very much. To you and your colleagues, that was very helpful. Thank you.

We are adjourned.

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